



Economy and Environment Program
for Southeast Asia
22 Cross Street #02-55
South Bridge Court
Singapore 048421

Phone: (65) 6438 7877
Fax: (65) 6438 4844
E-mail: dgllover@idrc.org.sg
Web site: www.eepsea.org

The Economy and Environment Program for Southeast Asia (EEPSEA) was established in May 1993 to support training and research in environmental and resource economics across its 10 member countries: Cambodia, China, Indonesia, Laos, Malaysia, Papua New Guinea, the Philippines, Sri Lanka, Thailand, and Viet Nam. Its goal is to strengthen local capacity for the economic analysis of environmental problems so that researchers can provide sound advice to policymakers.

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Rags Among Archaeological Riches: Sustainable Development in the Angkor World Heritage Site

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Founded in the IXth century, the city of Angkor lies at the heart of Khmer cultural heritage. Angkor remained in a relative slumber until the late 1990s. In less than a decade, the number of foreign visitors to the temples of Angkor has jumped from a few thousand a year to nearly a million. While it represents a significant source of foreign currencies for Cambodia, mass tourism→

A summary of EEPSEA Research Report 2006-RR5, "Towards Sustainable Development in Angkor, Cambodia: Social, Environmental and Financial Aspects of Conserving Cultural Heritage" by Thanakvaro De Lopez et al. Address: Cambodian Research Centre for Development (CRCD), PO Box 2515, Phnom Penh, Kingdom of Cambodia. Email: webmaster@camdev.org

“Tourism has not significantly ..

→ has increased pressure on Angkor's cultural and natural features. As imbalances in development become more pronounced, the question that needs to be urgently answered is how the development of Angkor can be made more sustainable from financial, environmental and social perspectives. The study was carried out by a team from the Cambodian Research Centre for Development (CRCD), led by Thanakvaro De Lopez, and relies on face-to-face interviews of more than 400 souvenir vendors and 2,500 households residing in Angkor.

A Tourism Cash Cow

The potential for revenue generation from entrance fees to the Angkor Archaeological Park is substantial. Based on official statistics for foreign visitor arrivals and durations of stay, the study estimates the potential for annual entrance revenues to be as high as US \$44 million, which corresponds to a million visitors per year. This represents a substantial source of funding to meet the needs of present generations, while ensuring that the temples are protected against degradation for future generations. APSARA, the National Authority for the Protection of the Site and Development of

Angkor, cannot fulfil its mandate without substantial increases to its annual budget. The collection of the visitor entrance fees has been the exclusive right of a private company since 1999, leaving APSARA with only 5-15% of the proceeds. Angkor would benefit from the establishment of a transparent competitive bidding system in which national and international companies could participate.

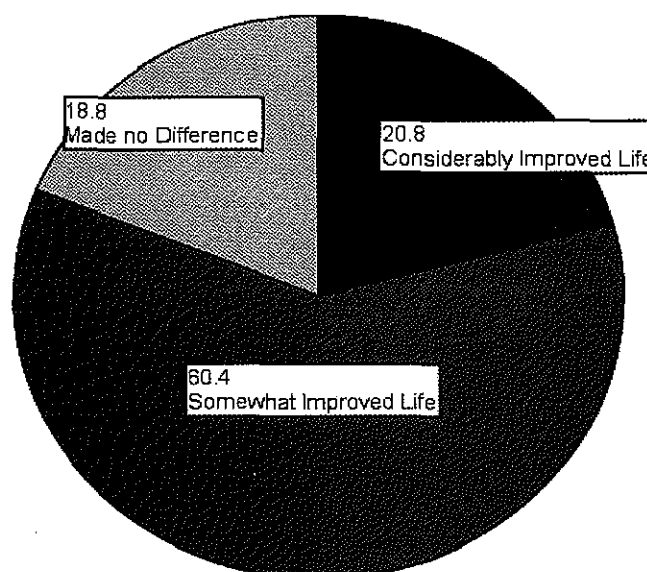
Economic Logic And Sustainable Development

The temples of Angkor contribute to Cambodia's economy and to the well

being of the present generations.

Although some amount of restoration is possible, it remains a daunting task. From a purely economic perspective, the temples must be protected against degradation, as their destruction would leave future generations fewer available economic opportunities. Without Angkor, there would be little need for an international airport, resorts, hotels, restaurants or tour operators. Since Angkorian temples are in critically short supply, they constitute the limiting factor to further development. Economic logic dictates that the productivity of the limiting factor be maximized in the

“Has tourism improved your life?” (Percentage of all souvenir vendors)



benefitted local people"

Costs Of Selected Community Development Projects

Project output	Estimated project cost (US \$) including 30% administration	Percent of individual day pass for 500,000 visitors per year (US \$20/person/day)
1,000 semi-open wells (40 metre depth)	US \$ 1,000,000	10%
100 reservoirs (30 x 30 x 5 metres)	US \$ 1,000,000	10%
10,000 efficient stoves (improved bucket stoves)	US \$ 50,000	0.5%
10,000 scholarships (US \$100/child)	US \$ 1,300,000	13%
20,000 seedlings planted and cared for over a year (nitrogen fixing, local species, fruits, fuelwood or fodder)	US \$ 500,000	5%

short run and investments in increasing its supply be undertaken in the long run. In other words, returns on the temples must be maximised, while further restoration and rehabilitation work must be carried out.

A Large Impoverished Autochthonous Population

The monumental and protected cultural zones of the Angkor Park are home to a resident population of about 70,000 inhabitants. Migrants account for fewer than 5% of villagers, debunking the myth of a large proportion of outsiders attracted by the lure of tourism easy money. But a host of quantitative economic and social indicators used in the study show that the settlements of Angkor remain socially

and economically underdeveloped, and that tourism has not significantly benefitted local people. For instance, overall adult illiteracy rates average only 43%, while half of children lag four years behind their schooling schedules. Paddy cultivation is essentially rainfed and has a low productivity of less than a ton per hectare per year. Access to water for household consumption is inadequate for more than 82% of villagers. Thus, it is not surprising that more than 80% of households consider that tourism has made little or no improvement to their lives.

The True Spirit Of Angkor: A City For Everyone, Not Just A Park

Angkor from its foundation has always been a city, or at the very least,

a cluster of settlements with a shared cultural heritage. The location of present-day settlements coincides to a large extent with Angkorian shrines and structures. In its time, Angkor was the largest metropolis in the world, with a population which may have reached more than two million inhabitants. The current resident population pale in comparison, with less than 1/10th of the original population. While the focus of policy-making has been on accommodating the whims of the fabled million tourists a year, the well being of local people has attracted less attention. Yet, the temples would be silent piles of stones without the people and their history. When asked how they would like to see Angkor managed, many residents suggest that a guiding principle ought to be "let's

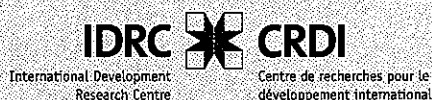
take care of each other". Local people would help authorities protect the temples, their heritage, if given the opportunity.

and misappropriation of revenues. Without political commitment, the most trivial inconveniences become insurmountable obstacles.

A Future To Be Built

The overarching objective of policy-making in Angkor ought to be to achieve sustainable development from environmental, social and economic perspectives. Entrance fees represent a unique opportunity to make Angkor, once more, a living thriving city. So does the desire of local communities to work with authorities and other stakeholders to preserve their heritage. A variety of practical and well-proven policy alternatives are available to correct existing imbalances in development. However, the path to degradation and destruction is as real; it is the easier path to greater social disparities, continuous hardship and alienation for local people, increased levels of pollution, depleted natural resources,

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